

KPMG Consulting – Verizon Responses regarding New Jersey Exception Report #22

Exception #: 22

Component: Verizon – NJ rendered bills to the KPMG-CLEC reflecting incorrect recurring and one-time charges for Unbundled Cross Connect – Virtual (USOC UECU2) and Manual Loop Qualification (USOC NR937) related to Line Sharing.

Domain: BLG

Date Uncovered by KPMG: 4/09/2001

Date VERIZON Received: 4/09/2001

Date VERIZON Responded: 4/11/2001

KPMG Consulting Summary Statement Issuing bills containing inaccurate usage information requires CLECs to engage in time-consuming and costly reconciliation procedures to identify errors and follow-up procedures to ensure resolution of the issues are appropriate and timely. Without proper billing, CLECs are unable to properly document their costs and bill their customers appropriately. .

KPMG Consulting Response: **KPMG Consulting’s 5/04/2001 Reply to Verizon’s 4/11/2001 Response**

After collecting additional data and reviewing both Verizon-NJ’s response to this exception and supplementary documentation, KPMG Consulting has decided to close this exception.

The billing charges are accurate and reflect what was ordered by the KPMG Consulting CLEC.

VERIZON Response: **4/11/2001 Response to Exception**

KPMG identified two issues in this exception. The responses for both are as follows:

1. Verizon has investigated the difference in the Unbundled Cross Connect charge and find that Verizon has in fact billed the cross connect correctly, according to how the service was requested from KPMG Consulting’s order containing ACTL HFDNJDHPF. The P in the 10th position indicates physical rather than virtual collocation. Therefore, Verizon’s billing systems applied the physical cross connect rate (\$.84) correctly per the customers ordering instructions.
2. KPMG Consulting has incorrectly stated the incorrect rate for Manual Loop Qualification from the Line Share Bill. In the exception they show the actual rate as \$38.76 where in fact the bill shows \$38.47. Verizon has investigated the manual loop qualification charge identified in the exception and have found that the information supplied to KPMG by Verizon for this item was incorrect. Verizon stated that USOC NR937 was zero rated until June 2001. We have since discovered that USOC NR937 was zero rated until June 2000, when a rate of \$38.47 was applied under project # 359232. This rate is what appears on both KPMG Consulting’s line sharing bills.